GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:86
ANSWERED ON:29.07.2005
DISINVESTMENT OF BHEL
Reddy Shri Suravaram Sudhakar;Singh Shri Chandra Bhushan

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has decided to divest 10% of Government equity in Bharat Heavy Electricals Limited (BHEL);

(b) If so, the details thereof; (

(c) whether there is opposition to this move in certain quarters;

(d) If so, the details thereof;

(e) whether the Government is considering to review its decision; and

(f) If so, the details thereof?

Answer

MINISTER OF FINANCE (P. CHIDAMBARAM)

(a) to (f) A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (f) of Lok Sabha Starred Question No.86 for 29.7.2005 asked by Shri Suravaram Sudhakar Reddy and Shri Chandra Bhushan Singh regarding disinvestment of BHEL.

(a) to (f) In May 2005, the Government decided on an `offer for sale` of 10% equity of BHEL out of Government`s holding of 67.72% through the `book building` process. It was also decided that upto 15% of the equity offered for sale will be reserved for the employees of BHEL. However, letters have been received from workers unions and others opposing disinvestment in BHEL. The objections are under consideration. No further decision has been taken in the matter.